



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0233	Title:	Increase truck weight limits in winter months
Primary Sponsor:	French, Julie	Status:	As Introduced

- | | | |
|---|---|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>	<u>FY 2012</u> <u>Difference</u>	<u>FY 2013</u> <u>Difference</u>
Expenditures:				
General Fund	\$38,400	\$0	\$0	\$0
State Special Revenue	\$20,000	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$20,000	\$30,000	\$30,000	\$30,000
Net Impact-General Fund Balance	<u>(\$38,400)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

Passage of HB 233 would require programming changes to the Montana Enhanced Registration and Licensing Information Network (MERLIN) at a cost of \$38,400. HB 233 is one of several bill drafts that seek to modify motor vehicle laws and therefore MERLIN. The fiscal note for each bill will be prepared based on the effect of the individual bill. However, when viewed as a package, the cumulative effect of passage of more than one bill that impacts MERLIN may provide opportunities to share or redistribute costs.

The Montana Department of Transportation will require programming changes to the automated permitting system at a cost of \$20,000. Revenues are projected to be approximately \$30,000 per year. The fiscal impact due to possible repair and/or replacement of roadways due to the increased weight of vehicles is incalculable.

FISCAL ANALYSIS

Assumptions:

Department of Justice (DOJ)

1. The DOJ and its agents (the county treasurers) are authorized agents for the Montana Department of Transportation (MDT) under 61-10-121(3), MCA.
2. Under 15-1-504(3), MCA, the county treasurers remit to DOJ all state money that was collected by the county treasurer due to motor vehicle transactions along with a detailed report.
3. DOJ coordinates with the state accounting system (SABHRS) to ensure the accurate revenue distribution as prescribed by statute.
4. The wintertime 10 percent overweight permit forms will be provided by MDT for DOJ and the counties to issue as agents for MDT.
5. DOJ will include training of county personnel to ensure the permits/fees are correctly processed in coordination with other scheduled training.
6. Programming changes to MERLIN will be required to calculate and collect the fees for this new product and revenue distribution. These programming changes will be contracted and is estimated that it will take them 240 hours to make the changes for a cost of \$38,400.

Montana Department of Transportation (MDT)

7. Vehicles affected by this bill are for vehicle size, weight, or axle weights and axle spacing that Motor Carrier Services (MCS) enforcement currently has jurisdiction for in Title 61, Chapter 10.
8. Towing vehicles eligible for permits under this bill may be owned by the farmers, ranchers, or any entity that moves agricultural products to support farm or ranch operations.
9. If this bill is enacted, any MCS officer, permitting tech, or district permitting clerk may issue the permit. The automated permitting system will need to be modified to support this permit type. Software and database associated with the automated permitting system will require modification during the first year.
10. Assuming each permit would take 10 minutes to issue, the total hours annually spent issuing permits is estimated as follows: .17 hours per-permit X 600 permits = 102 hours. This is equivalent to .06 FTE. Assuming the estimated number of permits is accurate, MCS could absorb this workload.
11. Currently, 10% Tolerance permits are issued by enforcement officer for each instance an overweight truck is stopped by an officer at the roadside (\$10 fee per instance). It is assumed these instances would occur at the same rate even with the availability of a permit for the same reasons they currently occur.
12. The permit is good for 30 days. Individuals requiring a permit would purchase three permits for the period from December 1 - March 7).
13. Revenues generated from this bill are not easy to estimate since it is difficult to estimate the number of requested permits. Revenue estimates are based on using the number of 10% tolerance trip permits issued both on the automated permitting system and manually during the past year. The assumption is that a similar number of term permits will be issued as a result of this bill being passed into law.

$$[(\# \text{ of } 10\% \text{ tolerance permits per month} = 200) \times (3 \text{ months}) \times (\text{Permit cost each} = \$50) = \$30,000]$$
14. In FY 2010, the expected revenue will be approximately two thirds of a normal winter period's (December 1 - March 7) revenues since the bill is not effective until Jan. 1, 2010.

	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>	<u>FY 2012</u> <u>Difference</u>	<u>FY 2013</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses - MDT	\$20,000	\$0	\$0	\$0
Operating Expenses - DOJ	\$38,400	\$0	\$0	\$0
TOTAL Expenditures	\$58,400	\$0	\$0	\$0
<u>Funding of Expenditures:</u>				
General Fund (01) (DOJ)	\$38,400	\$0	\$0	\$0
State Special Rev (02) (MDT)	\$20,000	\$0	\$0	\$0
TOTAL Funding of Exp.	\$58,400	\$0	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$20,000	\$30,000	\$30,000	\$30,000
TOTAL Revenues	\$20,000	\$30,000	\$30,000	\$30,000
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$38,400)	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$30,000	\$30,000	\$30,000

Long-Term Impacts:

- MDT was unable to determine damage to roads due to the additional weight allowed. Currently, under the best configuration, gross weights can be up to 131,000; this bill would allow a gross weight of 144,100 pounds. Current standards are engineered for weights that will not damage roadways.

Technical Notes:

- If enacted into law, this bill will allow permitted vehicles to operate at 10% over legal weight limits on all Montana Highways. The implication of a 10% weight allowance on federally funded highways may violate the LCV (Longer-Combination Vehicle) freeze of 1991 on Interstate highways, and may be in violation for all federally funded highways. MDT is required by CFR 23, Part 657 to submit annually a size and weigh enforcement plan compliant with the LCV freeze. Also MDT must certify compliance with the plan on an annual basis.
- Under 23 CFR 657.19, a state may be sanctioned by USDOT, a withholding of 10% of construction funds when non-compliant.
- Under section 1 (5) a “semi-trailer” appears to contradict the “motive power” as a trailer cannot pull itself.
- Section-3, line-7 states “forwarded to the department of revenue”; currently these revenues come in from Counties and are “forwarded to the department of Justice”.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date